

AAHP-HIAA

November 18, 2003

The Honorable William M. Thomas
Chairman
House Ways and Means Committee
U.S. House of Representatives
1102 Longworth House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

On behalf of the American Association of Health Plans-Health Insurance Association of America (AAHP-HIAA) and our 1,300 member companies, I am writing to express our enthusiastic support for final passage of the Medicare bill. This bipartisan legislation is good news for 40 million Medicare beneficiaries who have been counting on Congress to improve their health care choices and benefits.


Based on our current understanding of this legislation, we believe it will strengthen the public-private partnership in Medicare and create new opportunities for our members to provide comprehensive, high quality health benefits, including prescription drugs, to Medicare beneficiaries. While this legislation does not address every concern and priority our members have raised, it is a strong compromise that represents a huge step forward for our nation's seniors and for persons with disabilities.

It is particularly important that this legislation will increase funding for Medicare+Choice benefits in 2004 and 2005. This additional funding will help to protect the benefits of almost 5 million current Medicare+Choice enrollees and, at the same time, build a stable platform for the new private sector program that will be implemented beginning in 2006. In addition, we appreciate the tremendous amount of work the conferees devoted to establishing a workable program of regional PPO options.

We strongly support the inclusion of tax-free Health Savings Accounts (HSAs) in the final Medicare bill. HSAs will be a valuable option for helping many Americans meet their health care expenses. We also appreciate your efforts to address concerns our members have raised about the original Medigap provisions.

Thank you again for helping to produce a final Medicare bill that will improve choices and benefits for current and future generations of Medicare beneficiaries. Our members applaud you for reaching a bipartisan agreement. We are proud to be working in support of this critically important legislation and we stand ready to provide further assistance in the days ahead.

Sincerely,



Karen Ignagni